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NATIONAL SECURITY COUNCIL

INFORMATION

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May 23, 1974

MEMORANDUM FOR: SECRETARY KISSINGER

SUBJECT: Indicators of PRC Internal Debate and
Desire for Movement on the Taiwan Issue

Since late February there have been nine reliable indicators of PRC concern about lack of movement on the Taiwan issue. All post-date the February 15 announcement of Leonard Unger's nomination as our new Ambassador to Taiwan, suggesting that the news of this appointment triggered leadership concern and debate in Peking regarding U. S. intentions and/or ability to follow through on "normalization," particularly as it would affect our relations with Taiwan.

Of these indicators, only one can be considered an independent reflection of the PRC's internal political situation. (The others are messages directed to us through a variety of diplomatic channels urging action on the Taiwan issue or attempting to build public pressure in the U. S. for such action.)

-- The most important indicator of policy debate in Peking relating to the Taiwan question was an unprecedented series of editorial revisions associated with the NCNA release of authoritative speeches from the "February 28" (1947) uprising anniversary. The PRC official news outlet reversed itself three times on the question of whether Taiwan's liberation would be peaceful or otherwise, indicating shifting policy guidance on this issue. The final version of speeches by two of Chou En-lai's associates who deal with Taiwan affairs -- Liao Ch'eng-chih and Fu Tso-yi -- deleted the "peaceful liberation" theme which was emphasized last year in favor of a more ambiguous formulation stressing "liberation," "unification," and the potential role of the PLA in recovering the island. (It might be noted, however, that on March 27 Vice Premier Teng Hsiao-p'ing told an Austrian parliamentary delegation that, "We hope for a peaceful liberation, we believe in a peaceful transition. It is only a question of time and methods.")

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BYAUTH Sec. Kissinger

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A few days after the NCNA releases of the February 28 speeches, the PRC ambassador in London told an SRF source known by him to have contacts with American officials that Chou was being forced by opposition elements, including Chiang Ch'ing, to take immediate steps to resolve the Taiwan issue with the U. S., and that the harsher tone of the "February 28" speeches was a reflection of Chou and Mao responding to domestic pressures on this question.

The remaining indicators suggest an effort on the part of PRC leaders to heighten our awareness of their concern for movement on the Taiwan issue, and to build public pressure in the U. S. for rapid movement by warning that there will be no further progress in U. S. - PRC normalization until the Taiwan question is resolved:

-- On February 25 Premier Chou told visiting Algerian President Boumedienne that he did not expect there would be further progress in U. S. - PRC normalization as long as Washington "gives blood transfusions to Taiwan" (presumably an indirect reference to the Unger appointment).

-- In early March an SRF source known to have a close personal relationship and direct access to Liao Ch'eng-chih, informed her CIA contact that she had been instructed by officials in Peking to convey to Washington a message about the "urgent need for progress on the Taiwan issue in order to strengthen Chou En-lai's position in the internal power struggle."

-- In mid-March the Tunisian Ambassador in Peking filed a report to his home ministry recounting how he had been told by PRC Foreign Ministry officials of their concern about your preoccupation with the Middle East and other diplomatic issues, which was leading you to neglect implementing measures which would further normalize U. S. - PRC relations. The Chinese sources also expressed concern about the continuing U. S. troop presence on Taiwan and military aid to the ROC, and the substantial American economic investment on the island. Surprise was also expressed about a statement by Deputy Secretary Rush in Manila in early March to the effect that the U. S. assumed that a Soviet presence in the Asia-Pacific region was inevitable, and hence we would have to remain in the region to balance off the Russians. This seemed to the Chinese to go against the Shanghai Communique statement that both the U. S. and PRC were opposed to "hegemonism" in the Asian region. (The ambassador's report, while clearly distorted by his particular interpretation of the remarks of PRC officials, seems to reflect an effort by the Chinese to float a signal in diplomatic channels about their concern with the trend of our China policy.)

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-- At a dinner party in Peking on April 2, Vice Foreign Minister Ch'iao Kuan-hua told Ambassador Bruce that while U.S.-PRC relations had not deteriorated, there was concern about the Unger appointment and the opening of two more ROC consulates in the U.S. Ch'iao further commented that the U.S. "should not go too far" on the Taiwan issue in directions which are not in the spirit of the Shanghai Communiqué. Ch'iao also reiterated Chairman Mao's observation to you that the Taiwan question would probably have to be resolved by force, although such an eventuality might not come for as long as a hundred years.

-- At your dinner party for Teng Hsiao-p'ing and Ch'iao Kuan-hua in New York on April 14, Teng asked you what you planned to do on the Taiwan question, suggesting a desire for some indication of movement on this issue. Ch'iao Kuan-hua observed that normalization can only be on the basis of the Japanese pattern, no other approach being possible. The Vice Foreign Minister then commented that U.S.-PRC relations should go forward, not backward. Teng concluded by saying that the PRC hopes the issues associated with full normalization can be resolved relatively quickly, but ironically then added that -- as Chairman Mao had told you last November -- the Chinese side is not in a hurry on these questions.

-- On April 19 and 23 two Western commentators on Chinese affairs known to have access to the PRC U.N. mission, Ross Terrill and Daniel Tretiak, published articles in the New York Times and Washington Post citing concern in the PRC leadership about lack of progress in U.S.-PRC normalization. The two writers called for full diplomatic recognition of Peking by the U.S. at an early date. These articles seem to have been stimulated by PRC officials, as was also the case of a telephone call to one of Senator Kennedy's academic advisors on China urging the Senator to speak out against the Unger appointment.

-- On May 17 and 18 Ch'iao Kuan-hua and Vice Premier Li Hsien-nien stressed to a group of American state governors visiting Peking the need to settle the Taiwan issue, as it is impeding further steps toward full normalization of U.S.-PRC relations. Ch'iao told the governors that there would inevitably be restrictions on the development of trade and exchanges under present circumstances and that there could be no change in the nature of our relationship until the Taiwan question is resolved as an issue between us. The Vice Foreign Minister cited the Japanese experience as a model for the U.S. to follow in making further progress toward normalization, adding that Japan continues to have trade and "regional" relations with Taiwan as "an area of China."

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